

Montgomery County's New Minimum Wage Goes Into Effect on Wednesday, Oct. 1

At Event at National Labor College in Silver Spring, Councilmembers, County Executive and Advocacy Groups Will Unite in Support of First Day of Wage Reform

ROCKVILLE, Md., Sept. 26, 2014—Montgomery County Council Vice President George Leventhal, Councilmembers Marc Elrich, Nancy Navarro, Hans Riemer, Cherri Branson and County Executive Isiah Leggett, at 10:30 a.m. on Wednesday, Oct. 1, will join with advocacy groups to show their united support of the regional effort to raise the minimum wage when they celebrate the start of Montgomery County's new minimum wage that goes into effect that day. The group will convene at the National Labor College (NLC) at 10000 New Hampshire Ave. in Silver Spring.

The public is invited to join the event. The group will gather in the conference center on the NLC campus. Parking is readily available on the site.

Last fall, Montgomery and Prince George's counties and the District of Columbia agreed to coordinate their efforts toward establishing increased minimum wage laws in a region-wide effort. Each jurisdiction adopted legislation toward meeting that goal.

Montgomery County, which previously followed the State minimum wage, established a new County minimum wage law that takes a graduated approach. In its first phase, the County minimum wage will increase from the State minimum of \$7.25 per hour to the new County minimum of \$8.40 per hour. This increase will result in approximately \$2,400 more in gross pay per individual each year based on a 40-hour work week at the minimum wage. The law applies to work performed in the County for all private sector employers with two or more employees working in the County. The individuals who are most likely to benefit from the wage increase include food service workers, housekeepers and cashiers.

"Montgomery County workers will see an increase in the minimum wage to \$11.50, to be phased in over four years, starting with an increase to \$8.40 today," said County Executive Isiah Leggett. "I believe that a higher minimum wage for Montgomery County is justified, given the higher cost of living in the County as compared to the rest of the State. I commend all the Councilmembers who voted for this law and especially Councilmember Marc Elrich for his leadership."

At the event in Silver Spring, minimum wage workers will join with elected officials to explain the impact that the new law will have on their daily lives. In addition, representatives from Raise Maryland, CASA de Maryland, Metropolitan Washington Council AFL-CIO, UFCW Local 1994 MCGEO, SEIU 1199, SEIU 32BJ and Jews United for Justice will discuss their efforts on behalf of working families.

“For me, the minimum wage is a key piece of how we build the infrastructure of opportunities,” said Councilmember Navarro, who was Council President when the law was enacted and co-sponsored the legislation. “So many working parents are forced to take more than one job to make ends meet, and they still struggle to provide the basics for their families. One of the best ways to encourage economic security is to provide a fair wage.”

The move to increase minimum wages in the Washington metropolitan area began in the fall of 2013. Montgomery and Prince George's counties each enacted their own minimum wage laws that would increase minimum wages from \$7.25 per hour to \$8.40 per hour on Oct. 1. The minimum wage rises to \$9.55 per hour on Oct. 1, 2015 in each jurisdiction, and on Oct. 1, 2016, the wage grows to \$10.75 per hour. The minimum wage increases to \$11.50 per hour on Oct. 1, 2017. A similar minimum wage program began in the District of Columbia on July 1.

“Three local jurisdictions within a stone’s throw of the U.S. Capitol, which is mired in gridlock, were able to come together and take a regional approach to making life better for our working families,” said Councilmember Elrich, who was the lead sponsor of the County’s minimum wage bill. “I am proud to have played a key role in this regional, grassroots effort.”

After measures were enacted by both counties and the District of Columbia, the Maryland General Assembly took action to increase the state minimum wage. On Jan. 1, 2015, the state minimum wage will increase to \$8 per hour and it will increase to \$8.25 on July 1, 2015. After additional increases in 2016 and 2017, the state rate tops out at \$10.10 in 2018. Employers in the County must pay the higher County minimum wage to employees working in the County.

“Paying workers a fair minimum wage helps to offset the demand for social services on our Department of Health and Human Services,” said Council Vice President Leventhal, who chairs the Council's Health and Human Services Committee. “However, we all recognize that there is still more work to do.”

While Montgomery is often recognized as an affluent county, in Fiscal Year 2014, Montgomery’s Department of Health and Human Services provided Supplemental Nutrition Assistance Program (SNAP) benefits to nearly 32,000 residents, medical care to approximately 28,000 uninsured residents through its Montgomery Cares program, rental assistance to almost 1,700 residents and child care subsidies to nearly 1,400 families.

“The minimum wage of \$1.60 per hour in 1968 would be \$10.86 today—when adjusted for inflation,” said Councilmember Nancy Floreen, who chairs the Council’s Planning, Housing and Economic Development Committee. “There is no question about it—we are long overdue for a more equitable minimum wage.”

According to an analysis prepared by the University of Maryland and provided by the Montgomery Business Development Corporation, 77,000 workers in Montgomery County earn less than \$12 per hour. Meanwhile, the family self-sufficiency standard for one adult and one preschool aged child in Montgomery is \$64,606.

“Today is a good day for working families in Montgomery County,” said Councilmember Roger Berliner. “This increase in the minimum wage will help hard working families make ends meet and gain greater economic security, and this is a good thing for our community.”

“Raising the minimum wage is a crucial part of our continuing fight to end poverty in Montgomery County,” said Councilmember Hans Riemer. “Along with Montgomery County’s contribution to the Earned Income Tax Credit, raising the minimum wage puts more money directly in the pockets of the working families that need those resources the most. I’m proud to support this regional effort.”

The Maryland Department of Labor, Licensing and Regulation (DLLR) will enforce the County’s minimum wage law. For more information, or to file a complaint alleging a violation of the County minimum wage, contact DLLR at 410-767-2357 or at ess@dllr.state.md.us. The DLLR web site can be found at: <http://www.dllr.maryland.gov/labor/wages>.

Councilmember Cherri Branson, who spent more than 20 years working for Congress before coming to the Council, said: “In my experience, social change often occurs with local jurisdictions pushing the national government forward. This regional effort is a prime example of local leaders doing what is right for their residents. I am hopeful that the federal government will follow our lead.”

Bill 27-13, which established the County’s minimum wage, was signed into law on Dec. 5, 2013, and can be found at: http://www.montgomerycountymd.gov/COUNCIL/Resources/Files/bill/2013/20131126_27-13.pdf.

Additional information about raising the wage can be found at: <http://www.raisetheminimumwage.org> or <http://www.whitehouse.gov/raise-the-wage>.

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